REMARKS

By this Amendment, Applicant has amended claims 1, 5, 8, 9, 36, 40, 43, 44, 71, 75, 78, and 79, added new claim 112, and cancelled claims 7, 42, and 77 without prejudice or disclaimer. Claims 1-6, 8-41, 43-76, and 78-112 are pending.

In the outstanding Office Action dated June 13, 2005, the Examiner rejected claims 1-9, 14-44, 49-79, and 84-105 under 35 U.S.C. § 103(a) as being unpatentable over Gardenswartz et al. (U.S. Patent No. 6,055,573) in view of Scroggie et al. (U.S. Patent No. 5,970,469); rejected claims 10-13, 45-48, and 80-83 under 35 U.S.C. § 103(a) as being unpatentable over Gardenswartz et al. in view of Scroggie et al. and further in view of Wexler (U.S. Patent No. 5,960,409); and rejected claims 106-111 under 35 U.S.C. § 103(a) as being unpatentable over Gardenswartz et al. in view of Scroggie et al. and further in view of Walker et al. (U.S. Patent No. 5,945,653). Applicant respectfully traverses these rejections for the reasons below.[1]

I. Examiner Interview of August 11, 2005.

Applicant thanks Examiner Stamber for the telephonic interview on August 11, 2005 discussing the pending claims. As noted in the Interview Summary mailed on August 17, 2005, Applicant's representative and Examiner Stamber discussed the premature finality of the outstanding Office Action. Examiner Stamber agreed with

[1] Any silence by Applicant to certain assertions or requirements applicable to an of the Examiner's objections or rejections (e.g., whether a reference constitutes prior art, motivation to combine references, etc.) is not a concession by Applicant that such assertions are accurate or that such requirements have been met, and Applicant reserves the right to analyze and dispute such in the future. Further, the Office Action contains statements characterizing the related art and the claims. Regardless of whether any such statements are identified herein, Applicant declines to automatically subscribe to any statement in the Office Action.

Applicant's representative that the finality of the Office Action was improper and would thus be withdrawn. Accordingly, as agreed, Applicant responds to the outstanding Office Action as if it was mailed as a non-final Office Action.

II. The Rejections of Claims 1-9, 14-44, 49-79, and 84-105 Under 35 U.S.C. § 103.

Applicant respectfully traverses the rejection of claims 1-9, 14-44, 49-79, and 84-105 under 35 U.S.C. § 103(a) as being unpatentable over Gardenswartz et al. in view of Scroggie et al. because the Examiner has failed to establish a *prima facie* case of obviousness.

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, the prior art reference (or references when combined) must teach or suggest all the claim elements. Furthermore, "[a]ll words in a claim must be considered in judging the patentability of that claim against the prior art." See M.P.E.P. § 2143.01 (8th Ed., Aug. 2001), quoting In re Wilson, 424 F.2d 1382, 1385, 165 U.S.P.Q. 494, 496 (C.C.P.A. 1970). Second, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference or to combine reference teachings. Finally, there must be a reasonable expectation of success. See M.P.E.P. § 2143 (8th Ed. 2001), pp. 2100-122 to 127.

Here, the combination of Gardenswartz et al. and Scroggie et al. fail to teach each and every recitation of claim 1. In particular, claim 1 recites "a method for providing a purchase transaction incentive" including, *inter alia*, "determining attributes of a first group of consumers in a market population of consumers who have purchased an item, wherein the market population of consumers is based on the stored transaction

data," "determining attributes of a second group of consumers in the market population of consumers who have not purchased the item," "determining differences between the first group of consumers and the second group of consumers to identify attributes of consumers exhibiting a particular buying behavior," and "providing the purchase transaction incentive to the first consumer based on the first consumer being associated with the identified attributes." In contrast to the Examiner's allegations, Gardenswartz et al. and Scroggie et al., alone or in combination, fail to teach or suggest at least these elements.

Gardenswartz et al. discloses delivering advertisements using a "value contract [that] may be a promotional incentive for consumers to change existing behavior or continue an established behavior, as determined from the consumer's offline purchase histories." (Col. 15, lines 5-8.) In the Office Action, the Examiner relies on the following disclosure of Gardenswartz et al. (describing how value contracts are offered):

> the analytics unit 16 searches the purchase history database 8 for consumers whose master records indicate that they are eligible for receiving a value contract offer. The eligibility of each consumer may depend on any desired factor(s) including the purpose of the contract, whether the consumer's observed offline purchase history meets certain criteria, and the consumer's response to previously delivered targeted advertisements including value contracts. As an example, assume the value contract will reward consumers who buy Brand Z soda twice a week. In this case, it may not be desirable to offer the value contract to consumers who are known Brand Z fanatics . . . Therefore, the criteria used to determine the eligibility of consumers may be "any consumers who have made less than twelve purchases of Brand Z soda in the last six weeks," for example. As another example, the criterion may be "any consumers who made less than ten purchases of Brand Z soda, but more than 10 purchases of Brand X soda in the last six weeks." .

(Col. 15, lines 19-40.)

Gardenswartz et al. thus teaches selecting consumers eligible for receiving a value contract offer based on "desired factors." However, this teaching does not

constitute "determining attributes of a first group of consumers in a market population of consumers who have purchased an item, wherein the market population of consumers is based on the stored transaction data," "determining attributes of a second group of consumers in the market population of consumers who have not purchased the item," "determining differences between the first group of consumers and the second group of consumers to identify attributes of consumers exhibiting a particular buying behavior," and "providing the purchase transaction incentive to the first consumer based on the first consumer being associated with the identified attributes," as recited in claim 1. More specifically, nothing in Gardenswartz et al. discloses or suggests "determining differences between the first group of consumers and the second group of consumers to identify attributes of consumers exhibiting a desired buying behavior," as claimed. Gardenswartz et al., therefore, fails to disclose each and every element of claim 1.

Moreover, Scroggie et al. does not cure the deficiencies of Gardenswartz et al. The Examiner cites Scroggie et al. only for its alleged teaching of "a system that transmits back to customers a plurality of incentive offers based upon said customer geographic region or zone." (OA at 3.) Scroggie et al. does not, however, teach "determining attributes of a first group of consumers in a market population of consumers who have purchased an item, wherein the market population of consumers is based on the stored transaction data," "determining attributes of a second group of consumers in the market population of consumers who have not purchased the item," "determining differences between the first group of consumers and the second group of consumers to identify attributes of consumers exhibiting a particular buying behavior," and "providing the purchase transaction incentive to the first consumer based on the

first consumer being associated with the identified attributes," as recited in claim 1. Accordingly, because the cited references, taken either alone or in any reasonable combination, fail to teach each and every element required by claim 1, the Examiner has not made a *prima facie* case of obviousness. Accordingly, Applicant respectfully requests the Examiner to reconsider and withdraw the rejection of claim 1 under 35 U.S.C. § 103 as being obvious from Gardenswartz et al. and Scroggie et al.

Claims 36 and 71, although of different scope, recite elements similar to that discussed above with regard to claim 1. Applicant therefore requests the Examiner to withdraw the rejection of claims 36 and 71 for at least the same reasons discussed above for claim 1.

Claims 2-9, 14-35, 37-44, 49-70, 72-79, and 84-105 depend from claims 1, 36, and 71, respectively. As explained, claims 1, 36, and 71 recite elements not disclosed or suggested by Gardenswartz et al. and Scroggie et al. Accordingly, claims 2-9, 14-35, 37-44, 49-70, 72-79, and 84-105 are allowable over Gardenswartz et al. and Scroggie et al. for at least the same reasons as claims 1, 36, and 71. Applicant therefore respectfully requests that the rejection of these claims under 35 U.S.C. § 103(a) be withdrawn and the claims allowed.

III. The Rejection of Claims 10-13, 45-48, and 80-83 Under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 10-13, 45-48, and 80-83 under 35 U.S.C. § 103(a) as being unpatentable over Gardenswartz et al. in view of Scroggie et al. and further in view of Wexler.

The Examiner relies upon Wexler for its apparent disclosure of a system that "allows advertisers to compare the effectiveness" of publishing sites advertising

promotions of the advertisers." (OA at 12.) Since Wexler fails to cure the above deficiencies of Gardenswartz et al. and Scroggie et al., and since claims 10-13, 45-48, and 80-83 ultimately depend from claims 1, 36, and 71, these claims are also allowable for the reasons given above. Therefore, Applicant requests the Examiner to withdraw the rejections of claims, 10-13, 45-48, and 80-83.

IV. The Rejection of Claims 106-111 Under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 106-111 under 35 U.S.C. § 103(a) as being unpatentable over Gardenswartz et al. in view of Scroggie et al. and further in view of Walker et al.

The Examiner relies upon Walker et al. for its apparent disclosure of providing a coupon with a monthly credit card statement. (OA at 14.) Since Walker et al. fails to cure the above deficiencies of Gardenswartz et al. and Scroggie et al., and since claims 106-111 ultimately depend from claims 1, 36, and 71, these claims are also allowable for the reasons given above. Therefore, Applicant requests the Examiner to withdraw the rejections of claims, 106-111.

V. New Claim 112

Claim 112 recites "a method for providing a purchase transaction incentive" including, *inter alia*, "determining attributes of a first group of consumers in a market population of consumers who have purchased an item, wherein the market population of consumers is based on the stored transaction data," "determining attributes of a second group of consumers in the market population of consumers who have not purchased the item," "determining differences between the first group of consumers and the second group of consumers to identify attributes of consumers exhibiting a particular

buying behavior," and "providing the purchase transaction incentive to the first consumer based on the first consumer being associated with the identified attributes." As explained above, neither of the cited references, either alone or in combination, teach these elements. Accordingly, Applicant submits that claim 112 is allowable over the cited references.

VI. Conclusion

In view of the foregoing amendments and remarks, Applicant respectfully requests reconsideration and reexamination of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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